Besides, the services sector with a large share in GDP has also been less affected. Even in the export sector which registered negative growth in October, 2008, the fall was mainly due to a spike in export growth in October, 2007 and is limited to some sectors only. While no comprehensive surveys have been conducted to estimate the likely job losses in India due to global economic crisis, a sample study of 121 export related companies (for the period August-October, 2008) by Department of Commerce has indicated fall in jobs due to slowdown in some export sectors. A recent FICCI survey indicates some downsizing in employment in coming months particularly in some export sectors. Meanwhile, GDP growth is expected to moderate somewhat from very high growth rate in the last 3 years, yet remain sufficiently high this year generating new employment opportunities.

(c) Government is concerned about the possible impact of global financial crisis on the Indian economy, including employment, and several measures, financial and fiscal, have been taken. RBI's measures to enhance liquidity in the market and the Government's fiscal stimulus to help industrial growth and empolyment like reduction in three major ad valorem rates of Central Excise duty applicable to non-petroleum products by 4 percentage points, withdrawai of export duty on iron ore (fines) and additional plan expenditure of upto Rs 20,000 crore in the current year would help address the problem. Further. 3.24 crore households have been provided employment under National Rural Employment Guarantee Act as on 15.12.2008 in the current financial year.

Annual growth rate

†*310. SHRI RAJ MOHINDER SINGH MAJITHA:
DR. MURLI MANOHAR JOSHI:

Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that according to the mid term annual report of the Reserve Bank of India (RBI), the annual growth rate in the current year is expected to be 7.5 per cent to 8 per cent and according to the Central Bank, the price index is expected to rise upto 7 per cent in the current year;

(b) if so, the details thereof;

(c) whether on the basis of the above figures, the growth rate in the country can be said to be satisfactory to the common man; and

(d) if not, what is Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) The Reserve Bank of India (RBI) has revised their GDP forecast for 2008-09 to a range of 7.5-8.0 per cent. The growth has been revised downwards in view of the fact that the global down turn may be deeper and more protracted than expected earlier, with consequent adverse implication through trade and financial channels for emerging economies, including India, getting amplified. This could have effects in the form of potential terms of Trade losses, erosion of export competitiveness and restricted external financing causing the growth in

†Original notice of the question was received in Hindi.

Gross Domestic Product (GDP) at factor cost constant prices to decelerate to 7.8 per cent during April-September (2008-09) as against the growth of 9.3 per cent in the corresponding period of 2007-08.

The RBI in their Mid-Term Review of Annual Policy for the year 2008-09 have maintained their projection made during the Annual Policy Review in April 2008, for inflation at 7 percent by end March 2009, keeping in view the supply management measures taken by the Government and the lagged demand response to the monetary policy measures taken by the RBI over the last one year. RBI's endeavour is to bring down inflation to a tolerable level of below 5 per cent at the earliest, while aiming for convergence with the global average inflation of around 3.0 per cent over the medium term.

(c) and (d) Though growth rate of between 7 to 8 per cent represents some slow down from the high average growth of around 8.8 per cent in the last five years, this should be seen in the context that in the previous six-years (1997-98 to 2002-03) there was not even one year in which growth exceeded 7 per cent.

The growth in the first half of 2008-09 is characterized by an increase in the ratio of Government Consumption Expenditure component in the demand side of GDP, emanating from enhanced public expenditure directed towards promoting improved access to essential services, infrastructure development and rural prosperity aimed towards inclusive growth which impact the common man.

Loss in jobs and global financial crisis

*311. SHRI A. VIJAYARAGHAVAN: Will the PRIME MINISTER be pleased to state:

(a) whether Government is aware of the ever-increasing loss of employment in the country due to the deepening global financial crisis;

(b) if so, the details thereof and the action taken to improve the economic sector;

(c) the details of action taken for labour intensive projects, if any; and

(d) the expected loss of employment in the country due to the deepening global financial crisis for the period 2008-10, year-wise and category-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (d) Unlike the developed countries where job losses have been reported due to the global financial crisis, the impact has been limited in India as a large proportion of population is employed in the agriculture sector which has been relatively not affected by the crisis. Besides, the services sector with a large share in GDP has also been less affected. Even in the export sector which registered negative growth in October, 2008, the fall was mainly due to a spike in export growth in October, 2007 and is limited to some sectors only. While no exhaustive surveys have been conducted to estimate the likely job losses in India due to global economic crisis, a sample study of 121 export related companies (for the period August-October, 2008) by Department of Commerce has indicated fall in jobs due to slowdown in some export sectors. A recent FICCI survey indicates some downsizing in employment in coming months particularly in some export sectors. Meanwhile, GDP growth is expected to